

MENETA GROUP

# COMMUNICATION ON PROGRESS 2022

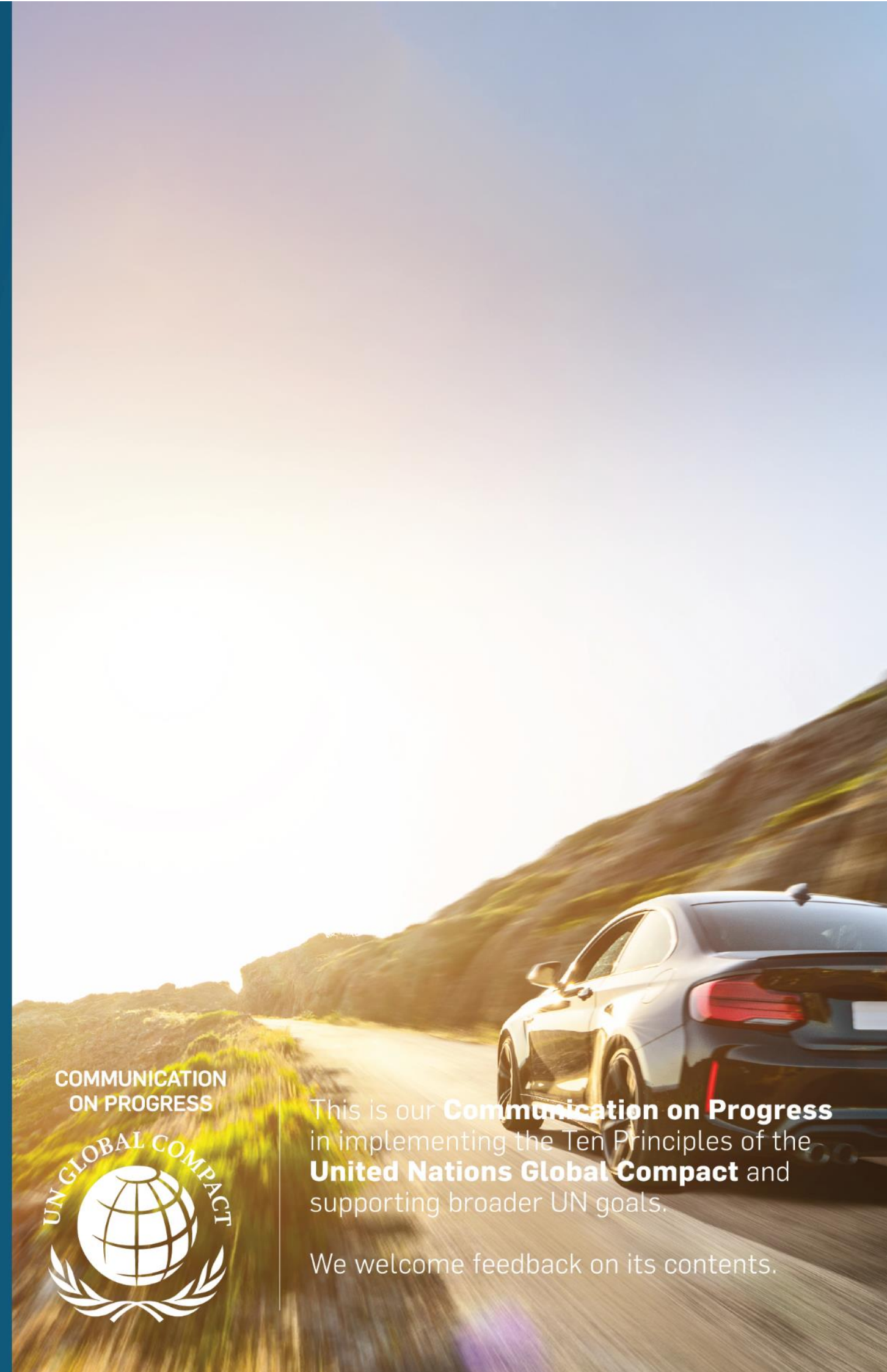


COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



# Statement of Continued Support

I am pleased to confirm that Meneta Holding A/S reaffirms its support of the Ten Principles of the United Nations Global Compact within the areas of Human Rights, Labor, Environment, and Anti-Corruption.

In 2021, Meneta Holding has focused on energy. The company has invested in wind energy that will supply the Group's headquarters with 100 % renewable energy. Additionally, the conversion to an electric vehicle fleet is underway and the company has invested in designated charging stations to promote e-mobility.

For 2022, we will continue to focus on the environment. We will launch new initiatives, improve our carbon accounting process, and develop a 2030 Green Corporate Strategy for the Group.

As a group, we continue to pledge to the integration of the principles and to extend those to every part of the organization, ensuring that all subsidiary companies under the Meneta Holding A/S umbrella complying with the principles on equal terms as the parent company.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations.

We also commit to continue to share this information with our stakeholders using our primary channels of communication.

Sincerely Yours,



# About this Report

This report covers the sustainability activities of Meneta Holding and its subsidiaries (hereafter referred to as Meneta Group), their progress with implementing the UNGC's ten principles and the Sustainable Development Goals. Specifically, goal no. 12 concerning responsible production and consumption is the focus of our efforts. Following our risk assessment policy, this is the SDG where we have assessed that we can have the most significant impact.

To learn more about our company and its activities, please visit [www.meneta.com](http://www.meneta.com) or connect with us on LinkedIn. 

For any questions about this report, or our company, feel free to contact [men@meneta.com](mailto:men@meneta.com).





# Human Rights

Respecting human rights is a fundamental principle of our daily business. Meneta Group ensures that all employees are familiar with the human rights standard and have acknowledged their commitment by signature.

Throughout our Danish organizations, Meneta has implemented procedures in our Code of Conduct (CoC) and Staff Handbook to ensure that the Group’s activities are compliant with the Universal Declaration of Human Rights. Furthermore, our Code of Conduct have been published on our website to make our position clear for all external stakeholders.

Through our Quality Management System, we continuously assess risks, including risks related to human rights. A job satisfaction survey has been conducted with the participation of more than 92% of all employees in our Danish companies. The results show a “social capital” that is above the national average, but we aim to further improve this. Moreover, behavioral workshops have been facilitated that have resulted in a day-to-day code of conduct.

Meneta Group does not condone any form of violating acts. Sadly, the survey showed that a few employees feel that their boundaries are being crossed from time to time. We take this very seriously. In addition to having dedicated sessions with the relevant department, our whistleblower scheme has been updated and now includes the possibility to report such issues both anonymously and attested.

<sup>1</sup> For this year, we are introducing a checkmark-system to clearly communicate if our past goals have been achieved or not. A checkmark indicates that the goal has been reached, and a checkmark with parentheses indicates that more work is still needed.

## Progress 2021 Goals<sup>1</sup>

- Global non-discriminatory policy initiatives (✓)
- Global policy initiatives for gender equality (✓)
- Higher % of women in top management (✓)
- Higher % of ethnical diversity in the workforce ✓
- Higher % of group organizations that have documented actions to validate compliance to Meneta’s ethics policies (✓)



# Human Rights Goals 2022

- Integrate our Code of Conduct in all layers of the organization
- Create a baseline for all group companies based on a customized self-assessment tool
- Conduct mini surveys at our Danish sites based on last year's job satisfaction survey to further improve social capital





# Labor

Meneta Group adheres to the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work. In 2021, we introduced an official Supplier Quality Agreement that commits our partners to uphold the same high ethical standards as us. This work will continue until all partners have the same ethical standard.

Meneta Group promotes all employees’ rights. These include the rights to uphold the freedom of association, collective bargaining, and other basic rights. We consider forced labor, child labor, and discrimination unacceptable practices within the Group and its suppliers.

Two of our Danish sites have been awarded “green smileys” by the Danish Work Environment Authority. Smileys are awarded when an audit has been concluded and it is confirmed that the company adheres to governmental regulation standards regarding physical and psychological working conditions.

We believe that a safe workday is a fundamental human right and encourage all our employees to report accidents and “near misses”. The reports are then being documented and risk evaluated. To improve the work environment, mitigation actions are taken to reduce the potential residual risk to an acceptable level. In 2021, the Danish companies acted on a total of 98 incidents. This reduced the inherent risks at the workplace significantly.

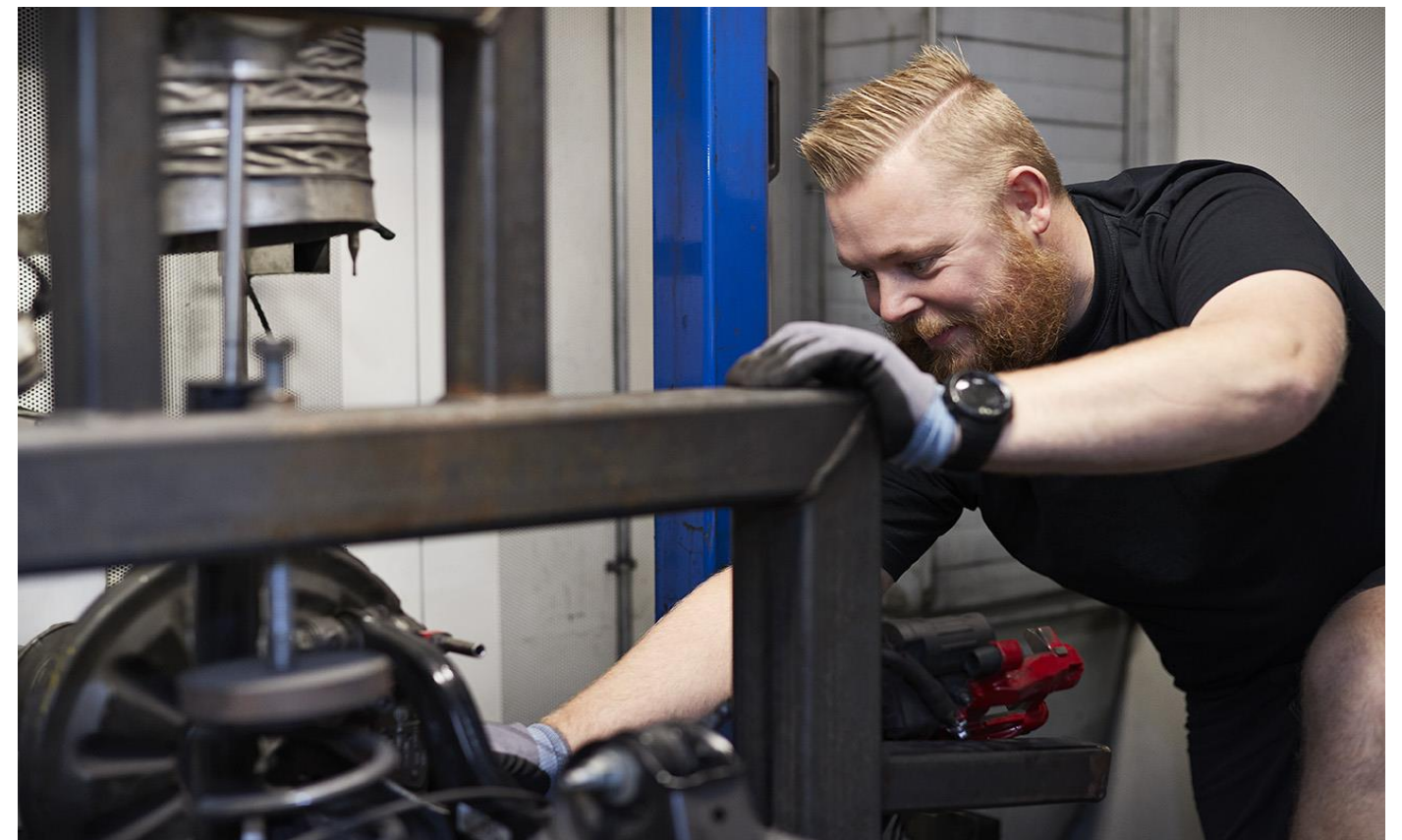
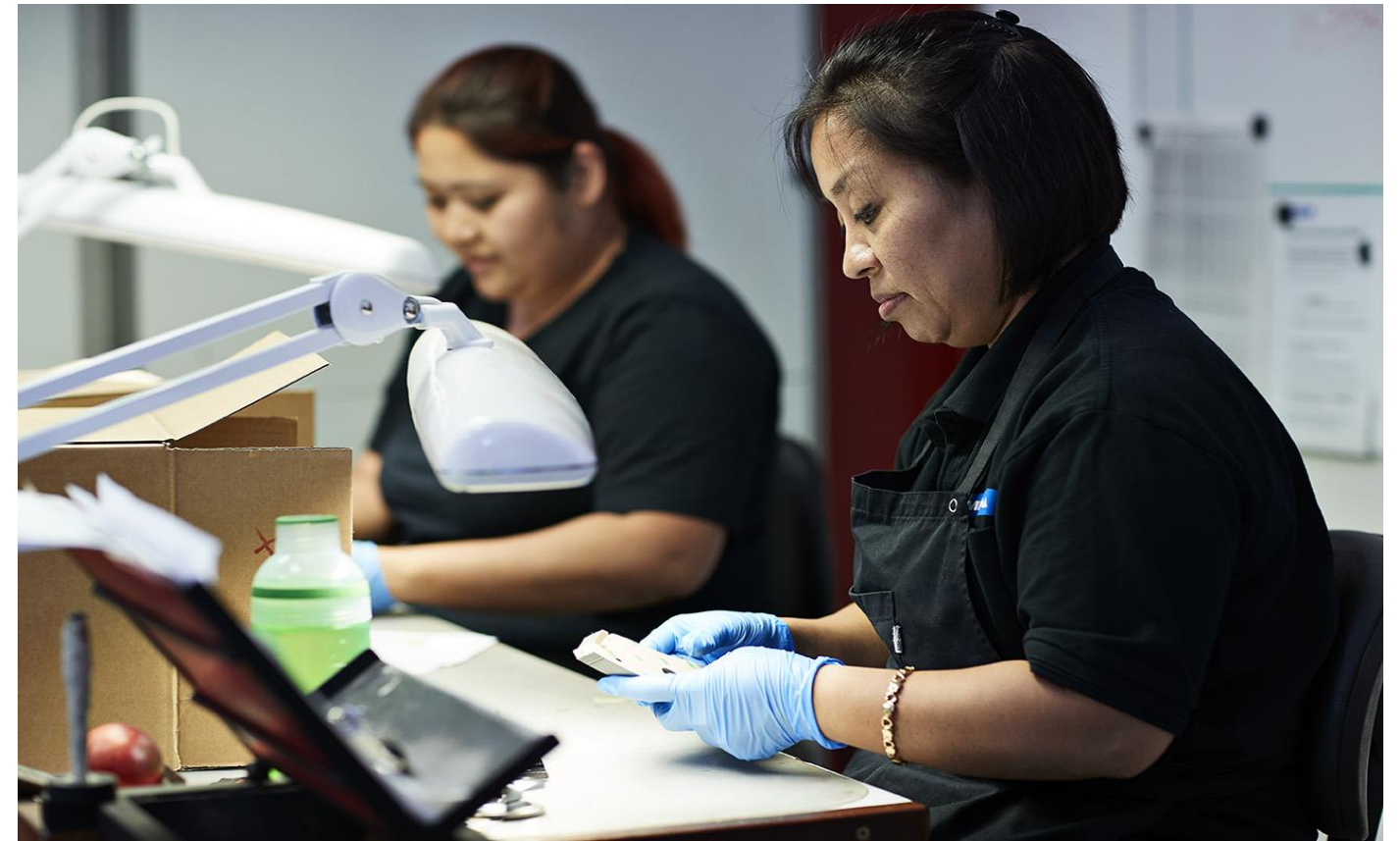
## Progress 2021 Goals

Free right to be part of a trade union	✓
Initiatives suggested by the employee association that have been implemented	(✓)
Higher % of employees who have participated in educational training	(✓)
Higher % of group organizations that have documented actions to validate their risk assessments of a safe working environment	(✓)
Reduce risk in the working environment	✓

COVID-19 has resulted in various challenges. However, in Denmark we have gone beyond the government's official restrictions to ensure a safe workplace. This approach has kept infections low and enabled us to keep having interns and students collaborating with the Danish companies, despite the pandemic. We believe this is a basic responsibility and a practice that creates value for both parties. We will therefore continue to support student and employment activities in 2022.

At the Danish sites, we have an extensive training program tailored to suit individual groups of employees and their activities. Much of this has been paused the past years during COVID-19, but we will continue to deploy resources for further internal and external education of our employees.

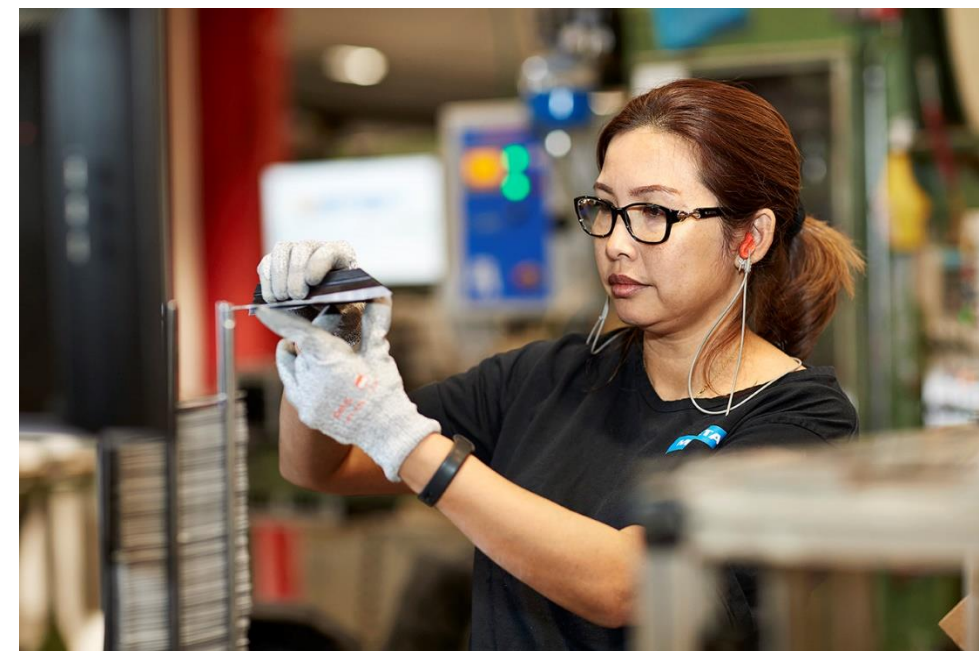
We have successfully implemented a system for our blue-collar employees in which they have a complete overview of their acquired competences and future training sessions. At Meneta HQ, white-collar employees will be included in the training program in 2022. Furthermore, we are continuously educating toolmakers as it has not been possible to hire educated toolmakers. We currently have three active students, and we expect the number of students to continue.





# Labor Goals 2022

- Finalize our Supplier Quality Agreement roll-out
  - Renew the green smiley at one of our Danish sites, awarded by the Danish Work Environment Authority
  - Reboot our internal education program after it has been paused as part of COVID-19 restrictions
- Improve staff retention despite high demand for employees in society
  - Produce internal instruction videos to streamline processes in our various departments (Production, Quality Assurance etc.)





# Environment

Following a management decision in late 2019, Meneta Group introduced a new ambitious sustainable agenda in 2020. During 2021, resources have been focused on our Danish HQ location, following a sandbox principle. As a result, the projects chosen for this year's communication on progress, will reflect some of the new Danish initiatives.

To support the process of knowledge-sharing between our international sites and the Danish HQ, the establishment of a Meneta knowledge-sharing database is set as a goal for 2022. A new corporate strategy is similarly under preparation, which will reflect the new environmental goals for the Meneta group. Additionally, Meneta Holding has established cross-functional working groups and workshops to launch, evaluate and create operational implementations with our technical expertise.

The theme for 2021 has been to focus on sustainable energy sources. Consequently, we are proud to announce that all Danish manufacturing sites are operating 100% on renewable energy, supplied by local wind turbines. Following a location-based carbon accounting method, this allows a net zero emission calculation for all electricity consumption from January 1, 2022.

Within the subject of energy, it was further decided to convert Meneta's company car fleet towards electric vehicles. To promote the usage of electrical vehicles in general, we have established 16 charging stations for our staff members and guests.

## Progress 2021 Goals

Decrease in overall CO2 emission compared to 2020 numbers



Increased number of public statements and reports to promote universal understanding of sustainability



Higher % of group organizations that have implemented a management system that takes environmental impacts into consideration



Technical projects transferred from Danish sites to other group organizations



Higher % of each group organization's BOM suppliers that can deliver sustainability reports



Higher % of recycled waste



Higher % of electricity from renewable energy and less CO2 emission from energy

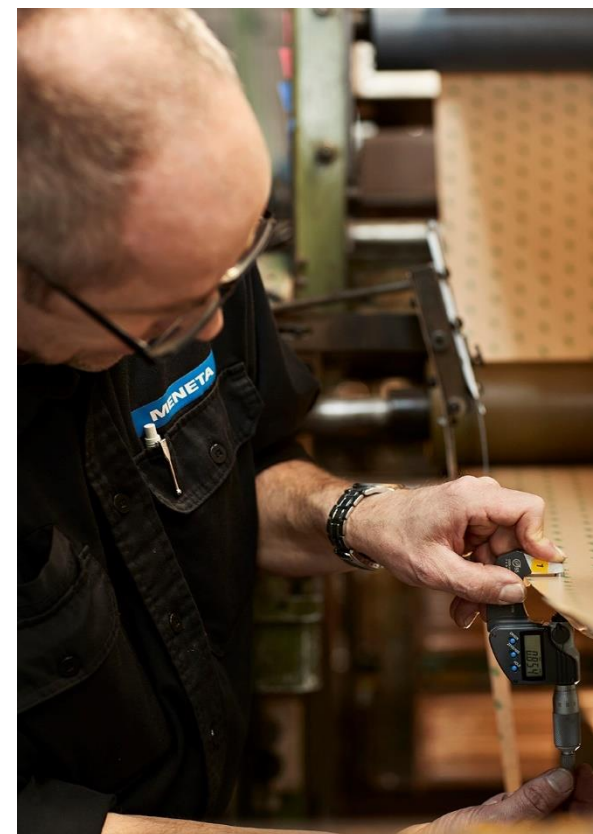




By supporting the technology and charging infrastructure, we hope to accelerate the transition toward a sustainable automotive industry.

In 2021, Meneta Holding finished another year of carbon accounting, with a credibility certificate from the Danish state authorized company: Deloitte Touche Tohmatsu Limited (DTTL). Meneta now focus on obtaining more in-bedded data validation processes within the daily operations of the organizations, with increased credibility from scope 1 to 3 emission-variables.

Meneta uses risk assessment as a guiding principle for obtaining sustainability. This allows us to target our efforts to ensure they will have the most significant impact.





# Environment Goals 2022

- Establish our global carbon accounting process through digitalization
- Finalize and publish an internal global knowledge-sharing platform
- Finalize and publish the Group's Climate and Sustainability strategy

- Finalize proof of concept to transform excess heating from our production processes to supply the district heating grid at our newest production facility at the Danish HQ location





# Anti-corruption

Meneta ensures that anti-corruption practices are established and maintained by Meneta Group's ethical policy. All employees acknowledge their commitment to the principles and values in our Code of Conduct and Staff Handbook and must acknowledge their commitment by signature.

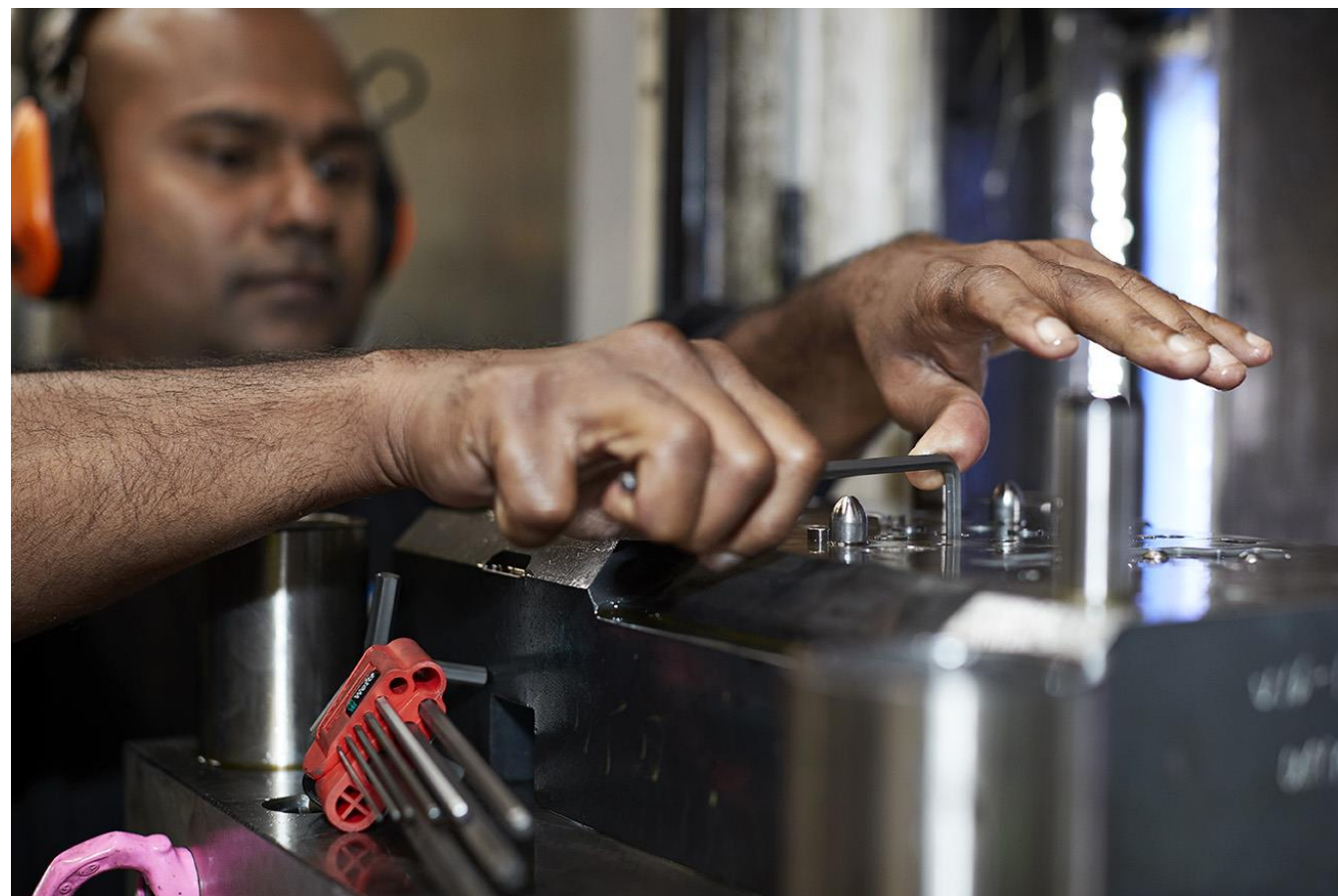
During 2021, Meneta Group has established a new and updated whistleblower scheme. It's now digital and open for all our stakeholders to use through our website. The scheme is also available internally through our Quality Management System.

## Progress 2021 Goals

Fewer international suppliers placed in high-risk corruption countries



Initiatives suggested to ensure anti-corruption actions





# Anti-corruption Goals 2022

- Maintain a zero-tolerance corruption policy

- Improve our transparency through communication initiatives and let stakeholders get insight to Meneta's challenges, strategy, and goals

